



DEPARTMENT OF THE INTERIOR

Bureau of Ocean Energy Management

30 CFR Parts 550 and 556

[Docket No. BOEM-2022-0022]

RIN: 1010-AE16

Adjustment of Service Fees for Outer Continental Shelf Activities

AGENCY: Bureau of Ocean Energy Management, Interior.

ACTION: Final rule.

SUMMARY: This final rule adjusts for inflation of certain service fees accruing to the Bureau of Ocean Energy Management (BOEM) as provided for in BOEM regulations.

DATES: This rule is effective on November 1, 2022.

FOR FURTHER INFORMATION CONTACT: Peter Meffert, Office of Regulation, at (703) 787-1610 or by email at peter.meffert@boem.gov.

SUPPLEMENTARY INFORMATION: BOEM's regulations at 30 CFR 550.125 and 30 CFR 556.106 provide the authority for BOEM to periodically adjust a number of its service fees according to the Implicit Price Deflator for Gross Domestic Product by publication of a document in the *Federal Register*. BOEM derives its authority from the Independent Offices Appropriation Act of 1952, 31 U.S.C. 9701, as interpreted by Office of Management and Budget (OMB) Circular No. A-25 Revised (1993). That circular states: "When a service (or privilege) provides special benefits to an identifiable recipient beyond those that accrue to the general public, a charge will be imposed (to recover the full cost to the Federal Government for providing the special benefit, or the market price)."

These service fees were last updated in a *Federal Register* notice in early 2013. 78 FR 5836, January 28, 2013. BOEM is now adjusting these service fees to reflect inflation since the last update.

This rule adjusts the service fees in accordance with BOEM’s regulations at 30 CFR 550.125 and 30 CFR 556.106. The new 2022 fee amounts are based on an inflation rate of 18.36 percent as calculated by the Implicit Price Deflator for Gross Domestic Product between 2012 and 2021.

The inflation rate between any two years is calculated as the percentage difference between the measure of prices for a designated year (e.g., 2021) and some previous year (e.g., 2012). The prices include all new, domestically produced, final goods and services in the economy for the designated year (e.g., 2021). See the Department of Commerce's Bureau of Economic Analysis (BEA) “Table 1.1.9, Implicit Price Deflators for Gross Domestic Product,” available at https://apps.bea.gov/iTable/index_nipa.cfm.

The inflation rate was calculated by dividing the deflator from 2021 by the deflator from 2012, and then subtracting one. For example, using the data in the table below from BEA’s table 1.1.9, with the base year set to 2012, the inflation multiplier was calculated as $118.36 / 100.00 - 1 = 18.36$ percent.¹

Calendar Year	Current Implicit Price Deflator for Gross Domestic Product (Base = 2012)	Latest BEA Annual Inflation Rate
2012	100.000	1.87%
2013	101.751	1.75%
2014	103.654	1.87%
2015	104.691	1.00%
2016	105.740	1.00%
2017	107.747	1.90%
2018	110.321	2.39%
2019	112.294	1.79%
2020	113.648	1.21%
2021	118.370	4.15%

¹ Table 1.1.9 as revised on July 28, 2022.

The following table summarizes the change in cost recovery fees from 2012 to 2022 using the calculated inflation rate multiplier:²

Service - processing of the following:	2012 Fee Amount	Multiplier	2022 Fee Amount
Change in Designation of Operator	\$175	1.1837	\$207
Right-of-Use and Easement for State lessee	\$2,742	1.1837	\$3,246
Exploration Plan (EP)	\$3,673 for each surface location; no fee for revisions	1.1837	\$4,348 for each surface location; no fee for revisions
Development and Production Plan (DPP) or Development Operations Coordination Document (DOCD)	\$4,238 for each well proposed; no fee for revisions	1.1837	\$5,017 for each well proposed; no fee for revisions
Conservation Information Document	\$27,348	1.1837	\$32,372
Assignment of record title interest in Federal oil and gas lease(s) for BOEM approval.	\$198	1.1837	\$234
Sublease or Assignment of operating rights interest in Federal oil and gas lease(s) for BOEM approval.	\$198	1.1837	\$234
Required document filing for record purpose, but not for BOEM approval.	\$29	1.1837	\$34
Non-required document filing for record purposes.	\$29	1.1837	\$34

Procedural Requirements

A. Regulatory Planning and Review (E.O. 12866 and 13563)

Executive Order (E.O.) 12866 provides that the Office of Information and Regulatory Affairs (OIRA) in OMB will review all significant rules. BOEM has determined that this rule is not significant because it does not meet any relevant financial threshold or raise any legal or policy issues.

Executive Order 13563 reaffirms the principles of E.O. 12866 while calling for improvements in the Nation's regulatory system to promote predictability, reduce uncertainty,

² The fee amount reflects an amount rounded to the nearest whole dollar.

and use the best, most innovative, and least burdensome tools for achieving regulatory ends. The order directs agencies to consider regulatory approaches that reduce burdens and maintain flexibility and freedom of choice for the public where these approaches are relevant, feasible, and consistent with regulatory objectives. E.O. 13563 emphasizes further that regulations must be based on the best available science and that the rulemaking process must allow for public participation and an open exchange of ideas. BOEM has developed this rule in a manner consistent with these requirements to the extent permitted by statute.

B. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA, 5 U.S.C. 601 et seq.) requires an agency to prepare a regulatory flexibility analysis for all rules unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule. See 5 U.S.C. 603(a) and 604(a). For the reasons discussed below, BOEM has determined that the Administrative Procedure Act does not require a proposed rule prior to this final rule. See 5 U.S.C. 553(b). Thus, the RFA does not apply to this rulemaking.

C. Congressional Review Act

This rule is not a major rule under the Congressional Review Act (5 U.S.C. 804) because it:

- (a) Will not have an annual effect on the economy of \$100 million or more;
- (b) Will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; and
- (c) Will not have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises.

D. Unfunded Mandates Reform Act

This rule does not impose an unfunded mandate on State, local, or Tribal governments or the private sector of more than \$100 million per year. The rule does not have a significant or unique effect on State, local, or Tribal governments or the private sector. A statement containing the information required by this act (2 U.S.C. 1531 et seq.) is not required.

E. Takings (E.O. 12630)

This rule does not effect a taking of private property or otherwise have takings implications under E.O. 12630. A takings implication assessment is not required.

F. Federalism (E.O. 13132)

Under the criteria in section 1 of E.O. 13132, this rule does not have sufficient federalism implications to warrant the preparation of a federalism summary impact statement. A federalism summary is not required.

G. Civil Justice Reform (E.O. 12988)

This rule complies with the requirements of E.O.D 12988. Specifically, this rule:

- (a) Meets the criteria of section 3(a) requiring that all regulations be reviewed to eliminate errors and ambiguity and be written to minimize litigation; and
- (b) Meets the criteria of section 3(b)(2) requiring that all regulations be written in clear language and contain clear legal standards.

H. Consultation with Indian Tribes (E.O. 13175 and Department of the Interior Policy)

The Department of the Interior strives to strengthen its government-to-government relationship with Indian Tribes through a commitment to consultation with the Tribes and a recognition of their right to self-governance and Tribal sovereignty. BOEM evaluated this rule under the Department's consultation policy, under Departmental Manual part 512, chapters 4 and 5, and under the criteria in E.O. 13175. BOEM determined that this rule has no substantial direct effects on federally recognized Indian Tribes and that consultation under the Department's Tribal consultation policy is not required.

I. Paperwork Reduction Act

This rule does not contain information collection requirements, and a submission to OMB under the Paperwork Reduction Act (44 U.S.C. 3501 et seq.) is not required. BOEM may not conduct or sponsor and you are not required to respond to a collection of information unless it displays a currently valid OMB control number.

J. National Environmental Policy Act of 1969

This rule does not constitute a major Federal action significantly affecting the quality of the human environment. A detailed statement under the National Environmental Policy Act of 1969 (NEPA) is not required because the rule is covered by a categorical exclusion (see 43 CFR 46.210(i)). This rule is excluded from the requirement to prepare a detailed statement because it is a regulation of a financial nature. BOEM also determined that the rule does not involve any of the extraordinary circumstances listed in 43 CFR 46.215 that would require further analysis under NEPA.

K. Effects on the Energy Supply (E.O. 13211)

This rule is not a significant energy action under the definition in E.O. 13211. A “Statement of Energy Effects” is not required.

L. Clarity of This Regulation

E.O. 12866 (section 1(b)(12)), E.O. 12988 (section 3(b)(1)(B)), E.O. 13563 (section 1(a)), and the Presidential memorandum of June 1, 1998, require that all rules will be written in plain language. This means that each rule must:

- (a) Be logically organized;
- (b) Use the active voice to address readers directly;
- (c) Use common, everyday words and clear language rather than jargon;
- (d) Be divided into short sections and sentences; and
- (e) Use lists and tables wherever possible.

If you feel that BOEM has not met these requirements, send your comments to Peter Meffert at peter.meffert@boem.gov. Your comments should be as specific as possible. For

example, please indicate the sections or paragraphs that you find unclear or too long and the sections that you recommend lists or tables as useful aids, etc.

M. Administrative Procedure Act

The Administrative Procedure Act provides that, when an agency for good cause finds that “notice and public procedure . . . are impracticable, unnecessary, or contrary to the public interest,” the agency may issue a rule without providing notice and an opportunity for prior public comment. 5 U.S.C. 553(b). BOEM finds good cause to promulgate this rule without first providing an opportunity for public notice and comment because BOEM has specific authority under existing regulations to periodically adjust a number of its service fees according to the Implicit Price Deflator for Gross Domestic Product by publication of a document in the *Federal Register*. 30 CFR 550.125 and 30 CFR 556.106. Under the Independent Offices Appropriation Act and OMB Circular No. A-25 Revised, BOEM must adjust the fees to cover its costs. The amount of the fee increase is not subject to BOEM’s discretion as it is based on the Implicit Price Deflator as determined by the U.S. Bureau of Economic Analysis. Thus, BOEM finds pre-promulgation notice and public comment to be unnecessary.

List of Subjects

30 CFR Part 550

Administrative practice and procedure, Continental shelf, Environmental impact statements, Environmental protection, Federal lands, Government contracts, Investigations, Mineral resources, Oil and gas exploration, Outer continental shelf, Pipelines, Reporting and recordkeeping requirements, Rights-of-way, Sulfur.

30 CFR Part 556

Administrative practice and procedure, Continental shelf, Environmental protection, Federal lands, Government contracts, Intergovernmental relations, Oil and gas exploration, Outer continental shelf, Mineral resources, Rights-of-way, Reporting and recordkeeping requirements.

Laura Daniel-Davis,
Principal Deputy Assistant Secretary,
Land and Minerals Management.

For the reasons stated in the preamble, BOEM hereby amends 30 CFR parts 550 and 556 as follows:

**PART 550—OIL AND GAS AND SULPHUR OPERATIONS IN THE OUTER
CONTINENTAL SHELF**

1. The authority citation for part 550 continues to read as follows:

Authority: 30 U.S.C. 1751; 31 U.S.C. 9701; 43 U.S.C. 1334.

2. Amend § 550.125 by revising paragraph (a) to read as follows:

§ 550.125 Service fees.

(a) The table in this paragraph (a) shows the fees that you must pay to BOEM for the services listed. The fees will be adjusted periodically according to the Implicit Price Deflator for Gross Domestic Product by publication of a document in the *Federal Register*. If a significant adjustment is needed to arrive at the new actual cost for any reason other than inflation, then a proposed rule containing the new fees will be published in the *Federal Register* for comment.

Service - processing of the following:	Fee amount	30 CFR citation
(1) Change in Designation of Operator	\$207	§ 550.143(d).
(2) Right-of-Use and Easement for State lessee	\$3,246	§ 550.165.
(3) [Reserved]		
(4) Exploration Plan (EP)	\$4,348 for each surface location; no fee for revisions	§ 550.211(d).
(5) Development and Production Plan (DPP) or Development Operations Coordination Document (DOCD)	\$5,017 for each well proposed; no fee for revisions	§ 550.241(e).
(6) [Reserved]		
(7) Conservation Information Document	\$32,372	§ 550.296(a).

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PART 556 - LEASING OF SULFUR OR OIL AND GAS AND BONDING

REQUIREMENTS IN THE OUTER CONTINENTAL SHELF

3. The authority citation for part 556 is revised to read as follows:

Authority: 30 U.S.C. 1701 note, 30 U.S.C. 1711, 31 U.S.C. 9701, 42 U.S.C. 6213, 43 U.S.C. 1331 note, 43 U.S.C. 1334, 43 U.S.C. 1801-1802.

4. Amend § 556.106 by revising paragraph (a) to read as follows:

§ 556.106 Service fees.

(a) The table in this paragraph (a) shows the fees you must pay to BOEM for the services listed. BOEM will adjust the fees periodically according to the Implicit Price Deflator for Gross Domestic Product and publish a document showing the adjustment in the Federal Register. If a significant adjustment is needed to arrive at a new fee for any reason other than inflation, then a proposed rule containing the new fees will be published in the Federal Register for comment.

Service Fee Table

Service - processing of the following:	Fee amount	30 CFR Citation
(1) Assignment of record title interest in Federal oil and gas lease(s) for BOEM approval.	\$234	§ 556.701(a)
(2) Sublease or Assignment of operating rights interest in Federal oil and gas lease(s) for BOEM approval.	\$234	§ 556.801(a)
(3) Required document filing for record purpose, but not for BOEM approval.	\$34	§ 556.715(a) § 556.808(a)
(4) Non-required document filing for record purposes.	\$34	§ 556.715(b) § 556.808(b)

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